

Implementing a Physician-Organization Compact

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First, Some Background...

Virginia Mason Medical Center

- An integrated healthcare system
- 501(c)3 Not for Profit
- 336 bed hospital
- 9 locations (main campus and regional centers)
- 450 physicians
- 5000 employees
- Graduate Medical Education Program
- Research center
- Foundation

VMMC Providers: 1920



Providing Health Care: Changing Culture

20th Century

- Taking care of the sick
- Physician-centered
- Gestalt, an art
- Physician is the care team
- Know it all
- Total patient care commitment, 24-7

21st Century

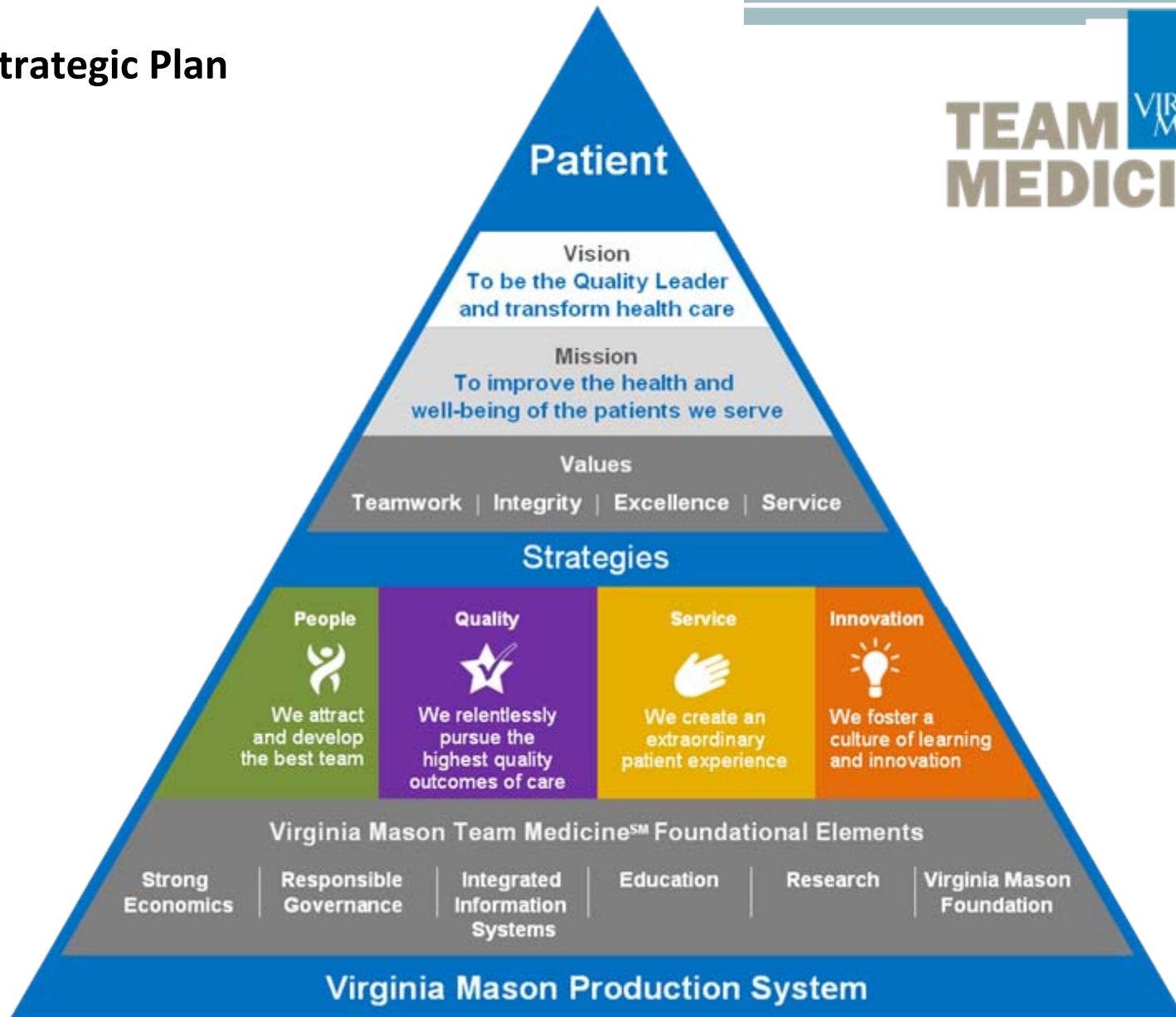
- Promoting health and well-being
- Patient-centered
- Evidence-based
- It takes a village to provide the best care
- Know what to ask and how to find the answer
- Work hour restrictions, physician wellness



Year 2000: Time for Change

- **Medicine**
 - Changing patient expectations
 - Changing economics
 - Changing provider expectations
- **At VMMC**
 - Change in Leadership
 - Economic challenges
 - Concerns about the quality and safety of the care we provided

Our Strategic Plan



Our Strategic Plan: A Working Document

- Aligned vision helps us focus our work and the strategies to achieve the vision
- Open all meetings with the plan and explain how the work is connected with the plan
- Annual organizational, divisional, and sectional goals are aligned to the plan



“Culture eats strategy”

Compact

- Expectations members of an organization have that are:
 - Unstated yet understood
 - Reciprocal
 - The give
 - The get
 - Mutually beneficially
 - Set up & reinforced by society and the organization



Traditional Physician Compact

GIVE

- Treat patients
- Provide quality care (personally defined)

GET

- Autonomy
- Protection
- Entitlement

VMMC Compact Process

- Fall 2000: Retreat
 - Committee broad-based group of providers from primary care, specialty and services
- Winter 2001: Compact committee
 - Primary care, specialty, service, patients, board members, legal, HR, CEO
- Spring 2001: Section meetings for input on the draft

VMMC: Physician Compact

Organization's Responsibilities

Foster Excellence

- Recruit and retain superior physicians and staff
- Support career development and professional satisfaction
- Acknowledge contributions to patient care and the organization
- Create opportunities to participate in or support research

Listen and Communicate

- Share information regarding strategic intent, organizational priorities and business decisions
- Offer opportunities for constructive dialogue
- Provide regular, written evaluation and feedback

Educate

- Support and facilitate teaching, GME and CME
- Provide information and tools necessary to improve practice

Reward

- Provide clear compensation with internal and market consistency, aligned with organizational goals
- Create an environment that supports teams and individuals

Lead

- Manage and lead organization with integrity and accountability

Physician's Responsibilities

Focus on Patients

- Practice state of the art, quality medicine
- Encourage patient involvement in care and treatment decisions
- Achieve and maintain optimal patient access
- Insist on seamless service

Collaborate on Care Delivery

- Include staff, physicians, and management on team
- Treat all members with respect
- Demonstrate the highest levels of ethical and professional conduct
- Behave in a manner consistent with group goals
- Participate in or support teaching

Listen and Communicate

- Communicate clinical information in clear, timely manner
- Request information, resources needed to provide care consistent with VM goals
- Provide and accept feedback

Take Ownership

- Implement VM-accepted clinical standards of care
- Participate in and support group decisions
- Focus on the economic aspects of our practice

Change

- Embrace innovation and continuous improvement
- Participate in necessary organizational change

Hardwiring Compact

- **Job Descriptions**
 - Chief
 - Section Head
 - Physician
- Recruitment
- Orientation
- Feedback
- Compensation

Compact: Living Document

- Daily use (Chiefs, Section Heads, Providers)
- Monthly review of the Compact at Professional Staff Meetings
- Discussion at the provider's annual performance review
- Compensation: Group Effort

Compact Process Recalibrates Expectations

- Journey as important as destination
- Iterative process for understanding and buy-in
- Mutual accountability (2-way street)
- We ALL change



Behavioral Expectations Are At the Heart of Culture

- Compact dialogue leads to specific behaviors needed to support the vision
- Consistent management of a compact helps the culture evolve to supports the organization's success

VIRGINIA MASON MEDICAL CENTER PHYSICIAN COMPACT

Organization's Responsibilities

Physician's Responsibilities

Foster Excellence

- Recruit
- Support
- Acknow
- Create c

Listen and C

- Share in
- prioritye
- Offer op
- Provide

Educate

- Support
- Provide

Reward

- Provide
- consiste
- Create a

Lead

- Manage

~VIRGINIA MASON MEDICAL CENTER LEADERSHIP COMPACT~

Organization Responsibilities	Leader Responsibilities
Foster Excellence <ul style="list-style-type: none"> • Recruit and retain the best people • Acknowledge and reward contributions • Provide opportunities for growth of lead • Continuously strive to be the quality lea • Create an environment of innovation an 	Focus on Patients

VIRGINIA MASON MEDICAL CENTER BOARD MEMBER COMPACT

Organization's Responsibilities	Board Member's Responsibilities
<p>Foster Excellence</p> <ul style="list-style-type: none"> • Facilitate the recruitment and retention of superior board members • Provide a process for regular, written evaluation and feedback through annual board self-evaluation • Provide a thorough orientation process for new board members • Support governance excellence with adequate board resources <p>Listen and Communicate</p> <ul style="list-style-type: none"> • Share information regarding strategic intent, organizational priorities and business decisions • Offer opportunities for constructive dialogue • Report regularly on implementation of strategic plan and achievement of specific board objectives • Disclose to and inform board on risks and opportunities facing the organization • Provide materials to members necessary for informed decision making sufficiently in advance of board meetings <p>Educate</p> <ul style="list-style-type: none"> • Provide information and tools necessary to keep members informed and educated on local and national health care issues • Provide educational and training opportunities to maintain a high level of board member effectiveness and knowledge • Educate board members about organization, its structures and its guiding documents <p>Lead</p> <ul style="list-style-type: none"> • Manage and lead organization with integrity and accountability • Create clear goals and strategies • Continuously measure and improve patient care, service and efficiency • Resolve conflict with openness and empathy • Ensure safe and healthy environment and systems for patients and staff 	<p>Know the Organization</p> <ul style="list-style-type: none"> • Know the organization's mission, purpose, goals, policies, programs, services, strengths and needs • Keep informed on developments in the Health System's areas of expertise, and on health care policy and future trends and best governance practices <p>Focus on the Future</p> <ul style="list-style-type: none"> • Spend three fourths of every meeting focused on the future • Consistently maintain a current and vital strategic plan <p>Listen and Communicate</p> <ul style="list-style-type: none"> • Actively participate in board discussions • Participate in educational opportunities and request information and resources needed to provide responsible oversight • Provide and accept feedback • Represent the board to the organization and be an advocate for the organization in the community <p>Take Ownership</p> <ul style="list-style-type: none"> • Attend meetings • Ask timely and substantive questions at board and committee meetings consistent with your conscience and convictions • Prepare for, participate in, and support group decisions • Understand and participate in approving annual and longer range financial plans and Quality & Safety oversight • Make an annual, personal financial contribution to the organization, according to personal means • Serve on board committees or task forces <p>Promote Effective Change</p> <ul style="list-style-type: none"> • Foster innovation and continuous improvement • Pursue necessary organizational change

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**TEAM
MEDIC**

Two Kinds of Problems

Ron Heifetz

Technical

- Problem is well defined
- Solution is known or can be found
- Implementation is clear

Adaptive

- Challenge is complex
- To solve, requires transforming long-standing habits and deeply held assumptions and values
- Involves feelings of loss, sacrifice (sometimes betrayal to values)
- Solution requires learning and a new way of thinking, new relationships

“A leader has to engage people in facing the challenge, adjusting their values, changing perspectives, and developing new habits of behavior.”

- Ron Heifetz

Primary Care: Pre-Compact

- Primary focus was treating illness
- Loosely organized care team, poorly coordinated
- Commitment to care as a team
 - The work was figuring out how to get there
- Relations with specialty, surgery, services were collegial but discussions about obligations to each other had never happened

New Management Method: The Virginia Mason Production System

We adopted the Toyota Production System philosophies and practices and applied them to health. Basic tenets:

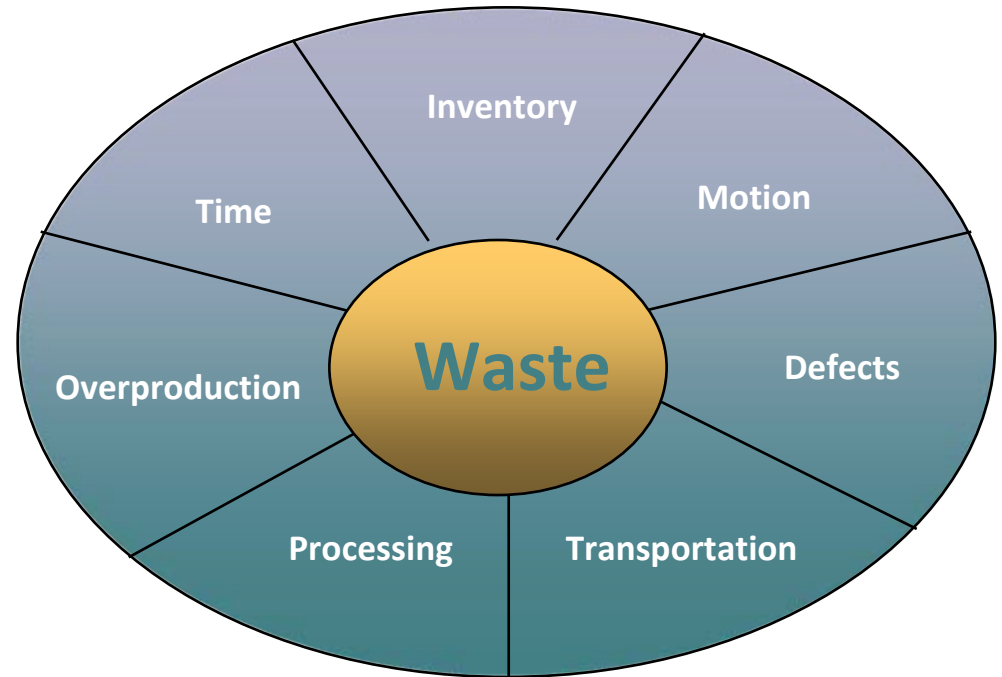
- Customer first
- Highest quality
- Obsession with safety
- Highest staff satisfaction
- A successful economic enterprise

5 Principles of Lean

- Specify what value is
 - Defined by the patient
- Identify the value stream
 - The entire set of actions that happen in order to produce a product or provide a service
- Make value flow without interruption
- Let the customer (patient) pull the value
- Pursue Perfection

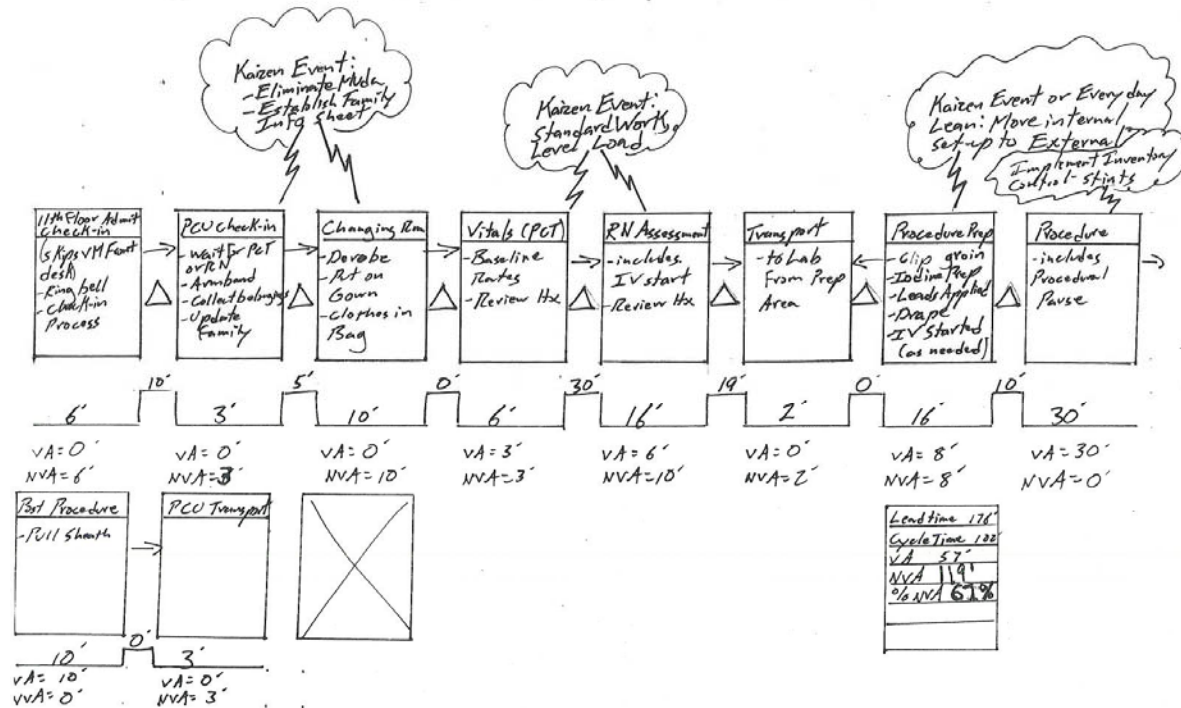
The 7 Wastes

- Overproduction
- Waiting
- Transportation
- Processing
- Inventory
- Motion
- Making Defective Products



Value Stream Mapping

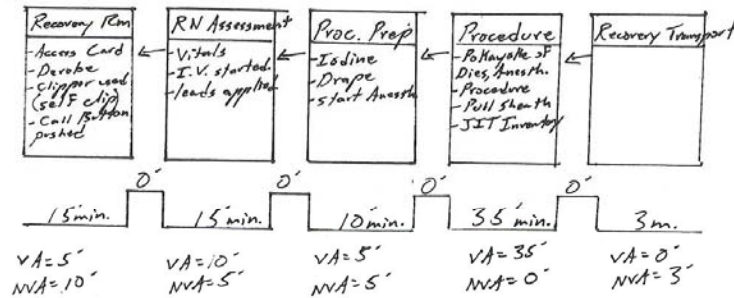
VSM - Cath Procedure - Current State



Robbi Bishop

Value Stream Mapping

Value Stream Map: Future State
Cardiac Catheterization Procedure



Lead time	78'
Cycle time	78'
Wait time	0'
V/A	55'
NVA	23'
% NVA	29%

Robert Bishop

The “Ambulatory ICU Project”

Intensive Outpatient Care Program

- In 2007 Boeing, Regence and Mercer approached VM to participate
- Aim: to reduce Boeing’s cost for those workers with the most costly health conditions by 15%---while improving their health status



Prevalence of Diseases

Intensive Outpatient Care Program

Hypertension	52%
Depression	46%
Chronic pain	40%
Chronic GI disease	34%
Diabetes	32%
Other psychiatric conditions	15%
Asthma	14%
Cancer	13%

VM Methods Influenced IOCP

- Patients remained with Primary Care Team
- Systems brought to Primary Care
- Safe, mistake-proofed, defect-free processes
- Waste-free processes
- Reliable care delivery
- All team members contributing to their highest level of skill and licensure

IOCP Results: Cost

20% Decrease in Annual Per Capita Claims

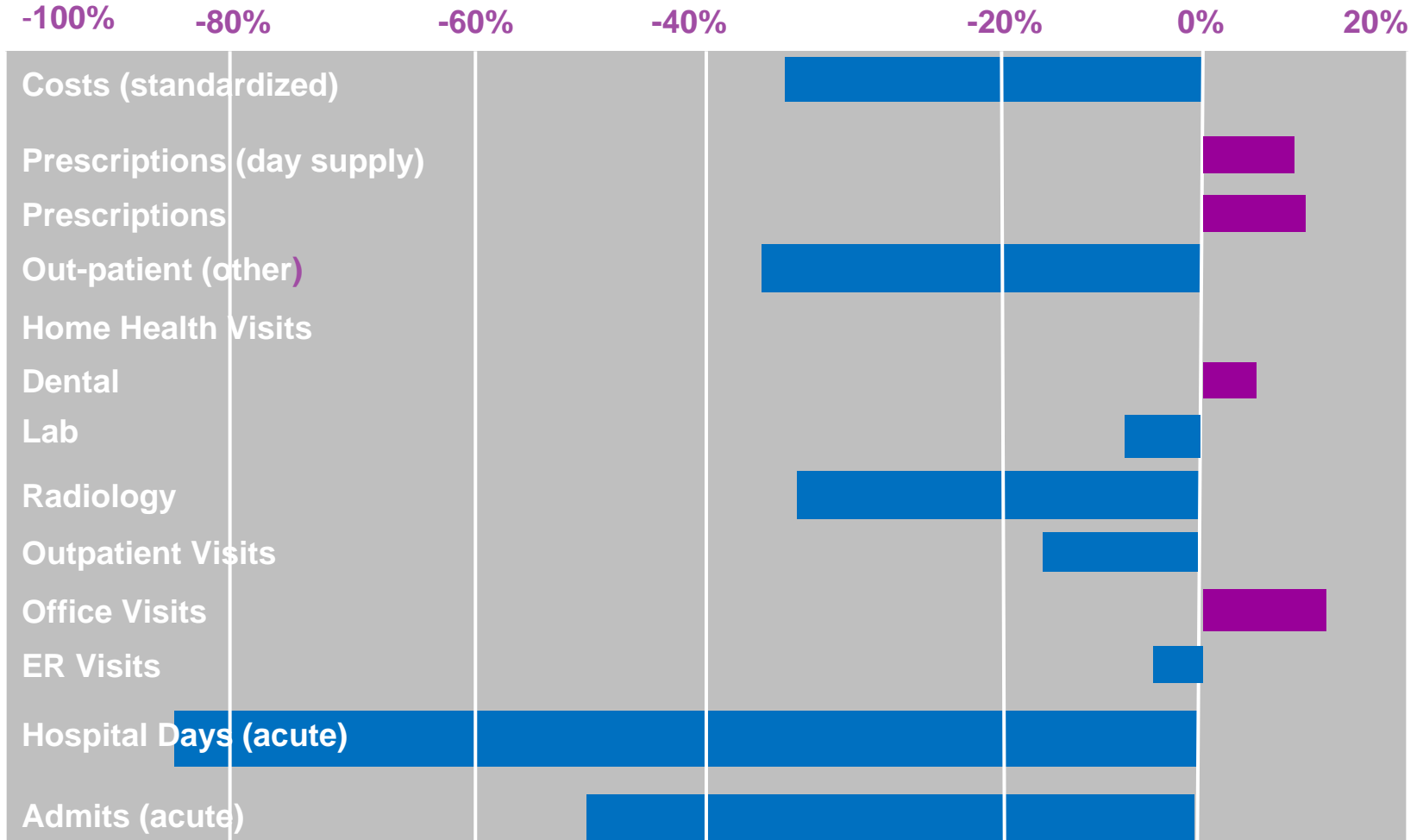
- **Aggregate result across the three participating delivery systems**
- **Comparison includes supplemental fees to PCPs**
- **Savings calculation achieved at 89% level of statistical certainty, despite small sample size**

Aggregate IOCP Outcomes

	% Change
% change in physical functioning score for IOCP patients compared to baseline	+ 14.8%
% change in mental functioning score for IOCP patients compared to baseline	+ 16.1%
% change in patient-rated care “received as soon as needed” compared to baseline	+ 17.6%
% change in average of patient-reported work days missed in last 6 months compared to baseline	- 56.5%

IOCP Results

Detail on Resource Utilization



Medical Neighborhood: Requirements for Success

- Aligned vision, more than “we have to do it because this is the way they are paying us in the future”
- Discussion about the obligation of providers and the entity that provides the structure (compact)
- Strong physician leadership: attention to the adaptive changes in addition to providing the technical fixes

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